



The Comptroller General  
of the United States

Washington, D.C. 20548

*Burford*

## Decision

Matter of: Junction City-Fort Riley-Manhattan  
Transportation Co., Inc.--Reconsideration

File: B-235866.2

Date: August 9, 1989

### DIGEST

Prior decision dismissing protest is affirmed where request for reconsideration does not establish any factual or legal error in the prior decision.

### DECISION

Junction City-Fort Riley-Manhattan Transportation Co., Inc., requests that we reconsider our decision Junction City-Fort Riley-Manhattan Transp. Co., Inc., B-235866, July 6, 1989, 89-2 CPD ¶     , in which we dismissed its protest of the award of a contract under invitation for bids (IFB) No. DAKF19-89-B-0007, issued by the Department of the Army for school bus transportation at Fort Riley, Kansas.

We affirm our prior dismissal.

In its original protest, the protester alleged that the IFB, which apparently could require the operation of school buses in Geary County, Kansas, the county adjacent to Fort Riley, improperly failed to require that bidders possess a Geary County license to operate a school bus and that the IFB's requirements for liability insurance did not comply with the higher minimum Geary County requirements. We concluded that to the extent Junction City's protest concerned the IFB's liability insurance requirement or its failure to require the specific Geary County license, its protest was untimely. This is because alleged solicitation improprieties apparent prior to bid opening must be filed prior to bid opening. 4 C.F.R. § 21.2(a)(1) (1988).

Further, to the extent the protester was alleging that the proposed awardee under the IFB would not comply with applicable local insurance and licensing requirements and therefore that its bid should have been rejected, we stated

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that a contractor's compliance with state or local requirements is a matter which must be resolved between the contractor and state and local authorities, not by federal officials. We also agreed with the agency's position that the county requirements referred to by the protester apply only to companies that maintain their principal place of business in Geary County, Kansas, and that the awardee's principal place of business is located outside the state of Kansas. We thus dismissed Junction City's protest.

The protester explains in its request for reconsideration that it was not aware of any solicitation defects until after bid opening when it learned that the proposed awardee would not be in compliance with what the protester alleges are the applicable licensing and insurance requirements provided for by a Geary County, Kansas resolution. In this regard, the protester submits a copy of the IFB provision which basically provides that a contractor must obtain all licenses and insurance which may be required by federal or state regulatory bodies. The protester states that it interpreted this provision as requiring compliance with the Geary County license and insurance requirements, and it was not until after bid opening that it realized that the awardee was not intending to comply with county requirements. The protester argues that it timely objects to the proposed awardee's alleged noncompliance with the local requirements, and argues that the agency's failure to require compliance improperly allowed the awardee to offer a substantially reduced price. The protester again argues that the county authorities intended the licensing and insurance requirements to apply to all school bus service performed in the county.

Initially, as indicated above, the IFB stated, in pertinent part, that the contractor shall obtain any and all applicable licenses and insurance which may be required. Where, as here, a solicitation contains a general licensing requirement without requiring specific licenses, the contracting officer properly may make the award without regard to whether the bidder possesses the licenses at the time of award. Rowe Contracting Serv., Inc., B-228642, Oct. 29, 1987, 87-2 CPD ¶ 416. This is so because, as stated in our previous dismissal of this protest, compliance with general licensing requirements is a matter to be resolved between the contractor and local authorities, not by federal officials. Al Johnson Reforestry, B-227545, Oct. 9, 1987, 87-2 CPD ¶ 348. Thus, the fact that proposed awardee may not possess any required license at the time of award is not a proper basis for denying it the contract. If the contractor is ultimately unable to obtain the licenses that

are necessary to performance of the contract, it faces the risk of default and termination.

In any event, we think the agency's position concerning the applicability of the county resolution cited by the protester was reasonable. While the protester argues that the Board of County Commissioners which passed the resolution intended a broader application, the plain language of the resolution provides that it applies only to "persons, firms and corporations in the business of transporting children to and from school . . . who maintain their principal place of business in Geary County, Kansas." Since the awardee does not maintain its principal place of business in Geary County, the agency reasonably concluded that the resolution did not apply to the awardee.

Since Junction City has not demonstrated that our prior decision is legally or factually incorrect, the decision is affirmed. 4 C.F.R. § 21.12 (1988).



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General Counsel